

REMARKS

Claims 1 – 9 and 16 – 19 are pending. Claims 1, 2, 5, 8, 9, 16 and 17 have been amended as described below. Claims 10 – 15 have been canceled.

Initially, the undersigned would like to thank the Examiner for the courtesies he extended in connection with the telephone interview held on March 12, 2009. After the undersigned highlighted various features of claims 1 – 4 and 16 – 19, the Examiner noted that amendments to each of independent claims 1 and 16 directed to how the motion is determined in the second recited frequency setting step/instruction and the incorporation of item (i) of claim 2/17 in the step/instructions as a criteria for determining which intra-coded frame transform coefficient blocks are subject to the zero setting/instruction would overcome the pending art rejections against those claims and place them in condition for allowance. The undersigned also proposed an amendment to each of independent claims 5, 8 and 9 to specify that each coding and decoding algorithm setting is defined by a specific combination of variable parameters, which the Examiner indicated he would consider.

To that end, applicants have amended each of independent claims 1 and 16 in accordance with the above. Moreover, in view of the amendments to those claims, dependent claims 2 and 17 have been amended for consistency. Accordingly, applicants respectfully submit that claims 1 – 4 and 16 – 19 are in condition for allowance.

With respect to claims 5 – 9, applicants has amended independent claims 5, 8 and 9 to better emphasize their respective distinctions over U.S. Pat. No. 6,850,564 to *Pejhan et al. (Pejhan)*, which has been used to reject such claims under 35 U.S.C. § 101(e). *Pejhan* is directed to dynamically varying the frame rate of an image sequence. *Pejhan* indicates that MPEG-2 provides for various coding modes, but does not identify any variable parameters for each coding mode. *Pejhan*, col. 5, lines 3 – 7. Moreover, the discussion at col. 6, lines 45 – 55 of *Pejhan* pertains to switching between frame rates, not modifying parameters. Once a coding mode is selected, there is no disclosure in *Pejhan* of changing the parameters to select a different coding mode. Each of independent claims 5, 8 and 9 has been amended to better describe the relationship between the variable parameters and the operating

modes (as explained at, for example, p. 17 of applicants' specification). With such amendments, applicants respectfully submit that claims 5 – 9 are patentably distinguishable over *Pejhan*.

Finally, applicants have canceled claims 10 – 15, thereby eliminating all issues relating to those claims.

This response is submitted as an earnest attempt to advance prosecution. It is believed that this response places this application in condition for allowance without raising new issues; its entry is therefore believed proper under 37 CFR §1.116. Should the Examiner believe that any issue remains outstanding, he is encouraged to contact applicants' undersigned attorney in an effort to resolve such issue and advance the application to grant.

Respectfully submitted,

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